
PSC's recent decision on your energy future a "slap in the face" and "tone-deaf"

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John,

Bottom line up front – there are important decisions brewing that will determine the future of solar energy in South Carolina which, by and large, are flying under the radar. And right now the scales are being tilted in favor of the utility monopolies.

BREAKING news Friday evening: ***SC utility regulators hire firm with ties to power companies to advise on price of solar***

First, the Good News

As you probably remember, the Energy Freedom Act was passed this year with overwhelming legislative support. In the bill, the General Assembly expressed its support for clean energy and energy competition countless times. Among other things the bill extended residential solar net-metering and ensured independent power producers can compete with big utilities on an open energy market.

BUT the Energy Freedom Act also said that future decisions about rates, both for rooftop net metering and large-scale solar, will be determined by the Public Service Commission (PSC) – a quasi-judicial body selected by the General Assembly. That's in addition to utility planning requirements, commercial and industrial solar programs, consumer protections, and a whole host of other important decisions that the General Assembly directed the PSC to handle.

Now, the Worrisome News.

These proceedings are now beginning at the PSC and there are some early warning signals on how the PSC is going to approach these

issues and the implications for clean energy.

The first warning sign was when the PSC sided with the utility monopolies on the timeline and number of proceedings, effectively making these cases a utility lawyer's dream come true. The decision made sure that clean energy and solar companies had a long, expensive, uphill battle.

But the second – and perhaps the biggest warning – came this week from the consultant the PSC chose to assist with the proceedings around the price of solar (also called avoided cost), which is a major component in the rates for rooftop solar and large-scale solar projects.

Read more at [*SC utility regulators hire firm with ties to power companies to advise on price of solar*](#)

To put the importance of this in context, the price of solar is the fundamental building block of all solar policy under the Energy Freedom Act. **If the solar rate gets established artificially low by a utility-friendly consultant, then the entire solar industry in South Carolina could crumble.**

It is clear that the folks at Pegasus-Global Holdings are not the type of independent energy experts that legislators envisioned. Instead, the PSC hired a group whose expertise focuses almost exclusively on utility "mega projects" like the failed VC Summer project. Not only were they paid \$3 million to defend Duke's management of a project that was \$1.6 billion over budget and years behind schedule (sound familiar?), but they also defended a failed \$7 billion coal plant project in Mississippi that is now under investigation by the US Department of Justice.

In short, the PSC chose a consultant of choice for big, expensive utility projects that has defended the status-quo decisions of utility monopolies in exchange for millions and millions of dollars. These are not the folks we need advising the PSC on solar rates.

They have **zero** record of having your best interest in mind.

This is the ultimate fox guarding the henhouse scenario.

But, then again, a majority of this PSC did rubber stamp the 9 rate increases for the VC Summer project.

Luckily, there's a way to turn the tide.

I mentioned that the PSC is a 7 member, quasi-judicial body that is selected by the legislature. That structure means two things.

First, it means that the Commissioners are accountable to the General Assembly for their decisions. And members of the General Assembly are accountable to you – the voters – for the people that they pick to serve on the PSC. So, if members of the legislature know that you understand the importance of the PSC and that you’re keeping an eye on the PSC and its decisions, then the legislature will keep a closer eye on them too.

Second, it means that every 2 years the legislature has an opportunity to change the PSC when they select new Commissioners. From the legislature to large corporate and industrial energy users, solar advocates, and conservation organizations, we’ve heard that the PSC has historically been criticized as being too “utility-friendly.” So in 2018 and 2019 the General Assembly sent a strong message of reform to the PSC with the selection of 3 new Commissioners instead of the incumbents.

In 2020, the General Assembly will decide who sits in 4 of the 7 Commission seats – over half of the Commission! Needless to say, selection of Commissioners in 2020 will determine the culture of the PSC and, with it, the future of solar and energy competition in South Carolina.

For more on the upcoming PSC selections and what they mean for clean energy, check out this story: [***Energy Freedom Act to unlock more consumer choice***](#)

From where we sit, the decisions that the sitting Commissioners make over the coming months are a litmus test. We know they have clear legislative direction from the Energy Freedom Act. So did they learn their lesson from VC Summer? Will they move South Carolina in the direction of a more competitive energy marketplace as the legislature intended?

With this recent move, the jury is still out...

So what does all this mean for CVSC and you?

It means CVSC is hitting the streets and the airwaves with a robust, statewide education campaign to ensure ratepayers understand the PSC and its importance in the future of solar energy and all energy rate decisions. This campaign will provide voters like you the tools and information to hold your legislators accountable for the action of the PSC and the candidates they select.

It also means that CVSC is working our network to find well-rounded folks who understand the importance of energy competition – and encouraging them to pursue a PSC seat.

So if you want us to visit your civic club or neighborhood association (or any group) and share what's going on at the PSC and how to get involved, [let us know](#).

Or if you know folks who would make good Commissioners, [connect us to them](#) so we can share more about the process.

If we want South Carolina to commit to and seize the potential in the Energy Freedom Act, we need the legislature to select reform-minded Commissioners who are not tied at the hip to the big utility monopolies. And we cannot ensure legislators prioritize these positions unless they hear that you – conservation voters from across South Carolina – are paying attention.

All that is to say thank you for your fight for a clean energy future for South Carolina. We had a big win this past year, but we know our work is not over. We look forward to working with you and, together, moving us to the cleaner and more efficient energy future we envision for the Palmetto State.

Best,



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